



Registration of a Charge

Company name: **CHINA TOWN DEVELOPMENT COMPANY LTD**

Company number: **09623621**



X81HCNN7

Received for Electronic Filing: **18/03/2019**

Details of Charge

Date of creation: **14/03/2019**

Charge code: **0962 3621 0006**

Persons entitled: **BRICKOWNER LIMITED AS SECURITY TRUSTEE (COMPANY NUMBER 09709791)**

Brief description: **(A) (LEASEHOLD) LAND AT GREAT GEORGE PLACE, LIVERPOOL AND REGISTERED WITH TITLE NUMBER MS563977; (B) (LEASEHOLD) LAND ON THE SOUTH-EAST SIDE OF DUNCAN STREET, LIVERPOOL AND REGISTERED WITH TITLE NUMBER MS626950; (C) (LEASEHOLD) LAND ON THE WEST SIDE OF GREAT GEORGE STREET, LIVERPOOL AND REGISTERED WITH TITLE NUMBER MS563174; (D) (FREEHOLD) LAND ON THE WEST SIDE OF GREAT GEORGE STREET, LIVERPOOL AND REGISTERED WITH TITLE NUMBER MS552511.**

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **JMW SOLICITORS LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 9623621

Charge code: 0962 3621 0006

The Registrar of Companies for England and Wales hereby certifies that a charge dated 14th March 2019 and created by CHINA TOWN DEVELOPMENT COMPANY LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 18th March 2019 .

Given at Companies House, Cardiff on 19th March 2019

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

Dated

14 March

2019

CHINA TOWN DEVELOPMENT COMPANY LTD

and

BRICKOWNER LIMITED as security trustee

LEGAL MORTGAGE

in respect of

Phase 3, Great George Street and St James Street, Liverpool

PEACOCK & CO Solicitors

94 High Street
Wimbledon Village
London SW19 5EG

CERTIFIED AS A TRUE COPY OF THE
ORIGINAL

18.03.19

Dated:


JMW Solicitors LLP

1 Byrom Place, Manchester M3 3HG

THIS DEED IS DATED

14 March

2019

PARTIES

- (1) **CHINA TOWN DEVELOPMENT COMPANY LTD** incorporated and registered in England and Wales with company number 09623621 whose registered office is at Suite 209, 2nd Floor 20 Chapel Street, Liverpool, United Kingdom, L3 9AG (the **Mortgagor**); and
- (2) **BRICKOWNER LIMITED** incorporated and registered in England and Wales with company number 09709791 whose registered office is at 123 Buckingham Palace Road, Victoria, London, England, SW1W 9SR as security trustee for the Beneficiaries (as defined below) in such capacity (**Security Trustee**).

AGREED TERMS

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

The following definitions apply in this deed:

Assigned Agreement: any agreements for sale or lease now or from time to time in force with various buyers in Residential Units or Commercial Units at the Property (whether on an off-plan basis or otherwise).

Beneficiaries: the Bondholders, the Security Trustee, the Borrower, a Receiver or any Delegate, or all or any of them as the context permits.

Bond Instrument: the bond instrument of the same date as this deed made between the Borrower (1) and the Security Trustee (2).

Bondholders: the person(s) from time to time who are (or should be but for the default of the Borrower or any person on its behalf) registered in any register of bonds maintained by or for the Borrower (whether by the Security Trustee as the Borrower's registrar or otherwise) as:

- (a) the holders of bonds constituted by the Bond Instrument;
- (b) the holders of bonds constituted by such other bond instruments made from time to time between the Borrower (as issuer of bonds) and the Security Trustee (as operator of the crowdfunding platform at www.brickowner.com),

and includes the nominee or personal representatives of any person with beneficial entitlement to such bonds, and for the avoidance of doubt this shall include holders of such bonds as at the date of this deed and future holders of such bonds, and the successors in title and assigns of any of them.

Borrowed Money: in respect of a Security Provider, any Indebtedness of that Security Provider for or in respect of:

- (a) borrowing or raising money, including any premium and any capitalised interest on that money;
- (b) any bond, note, loan stock, debenture, commercial paper or similar instrument;
- (c) any acceptances under any acceptance credit facility or dematerialised equivalent or bill discounting, note purchase or documentary credit facilities;
- (d) monies raised by selling, assigning or discounting receivables or other financial assets on terms that recourse may be had to the Security Provider if those receivables or financial assets are not paid when due;
- (e) any deferred payments for assets or services acquired, other than trade credit that is given in the ordinary course of trade and which does not involve any deferred payment of any amount for more than 60 days;
- (f) any rental or hire charges under any finance lease (whether for land, machinery, equipment or otherwise);
- (g) any counter-indemnity obligation in respect of any guarantee, bond, indemnity, standby letter of credit or other instrument issued by a third party in connection with the Security Provider's performance of a contract;
- (h) any other transaction that has the commercial effect of borrowing (including any forward sale or purchase agreement and any liabilities that are not shown as borrowed money on the Security Provider's balance sheet because they are contingent, conditional or otherwise);
- (i) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and when calculating the value of any derivative transaction, only the marked to market value shall be taken into account); and
- (j) any guarantee, counter-indemnity or other assurance against financial loss given by the Security Provider for any Indebtedness of the type referred to in any other paragraph of this definition incurred by any person.

When calculating Borrowed Money, no liability shall be taken into account more than once.

Borrower:	Investably Limited (company number 11707395).
Business Day:	a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business.
Charged Assets:	all the assets, property and undertaking of the Mortgagor which are, or are intended to be, subject to the Security created by, or pursuant to, this deed (and references to the Charged Assets shall include references to any part of them).
Commercial Unit:	any part of the Property that has been constructed for use as commercial premises and/or any associated parking space.
Default Rate:	in respect of any Secured Liabilities, the default rate specified in the deed or document relating to the relevant Secured Liabilities, otherwise the rate of 8% per annum at over the Bank of England's base rate from time to time.
Delegate:	any person appointed by the Security Trustee or any Receiver under clause 17 and any person appointed as attorney of the Security Trustee, a Receiver or Delegate.
Development:	the demolition of the existing buildings on the Property, the clearance of the Property site and the construction on the Property of mixed use buildings, as described in planning consent 15O/1998 or planning permission granted pursuant to applications 1F/2727 and/or planning permission 19F/0218 in the case of each permission to the extent it applies to the Property and subject to any variations approved by the local planning authority.
Environment:	the natural and man-made environment including all or any of the following media, namely air, water and land (including air within buildings and other natural or man-made structures above or below the ground) and any living organisms (including man) or systems supported by those media.
Environmental Law:	all applicable laws, statutes, regulations, secondary legislation, bye-laws, common law, directives, treaties and other measures, judgments and decisions of any court or tribunal, codes of practice and guidance notes in so far as they relate to or apply to the Environment.
Environmental Licence:	any authorisation, permit or licence necessary under Environmental Law in respect of any of the Charged Assets.

Event of Default: any of the following events:

- (a) the Mortgagor or GGSDL fails to pay any of the Secured Liabilities when due, unless its failure to pay is caused solely by an administrative error or technical problem and payment is made within three Business Days of its due date;
- (b) the Mortgagor or GGSDL fails (other than a failure to pay referred to in paragraph (a) of this definition) to comply with any provision of this deed or any document under which it owes obligations to the Security Trustee, the Borrower and/or the Bondholders and (if the Security Trustee considers, acting reasonably, that the default is capable of remedy) such default is not remedied within 10 Business Days of the earlier of the Security Trustee notifying the Mortgagor or GGSDL (as applicable) of the default and the remedy required and the Mortgagor or GGSDL (as applicable) becoming aware of the default;
- (c) any representation, warranty or statement made, repeated or deemed made by a Security Provider to the Security Trustee and/or the Bondholders is (or proves to have been) incomplete, untrue, incorrect or misleading in a material respect when made, repeated or deemed made;
- (d) a Security Provider suspends or ceases to carry on (or threatens to suspend or cease to carry on) all or a material part of its business;
- (e) any Borrowed Money is not paid when due or within any originally applicable grace period;
- (f) a Security Provider stops or suspends payment of any of its debts or is unable to, or admits its inability to, pay its debts as they fall due;
- (g) any commitment for any Borrowed Money is cancelled or suspended by a creditor of a Security Provider by reason of an event of default (however described);
- (h) any creditor of a Security Provider becomes entitled to declare any Borrowed Money due and payable before its stated maturity by reason of an event of default (however described);
- (i) a Security Provider stops or suspends payment of any of its debts or is unable to, or admits its inability to, pay its debts as they fall due;

- (j) a Security Provider commences negotiations, or enters into any composition, compromise, assignment or arrangement, with one or more of its creditors (excluding the Beneficiaries) with a view to rescheduling any of its Indebtedness (because of actual or anticipated financial difficulties);
- (k) a moratorium is declared in respect of any Indebtedness of a Security Provider;
- (l) any action, proceedings, procedure or step is taken in relation to the suspension of payments, a moratorium of any Indebtedness, winding up, dissolution, administration or reorganisation (using a voluntary arrangement, scheme of arrangement or otherwise) of a Security Provider and which are not dismissed within 14 days of commencement;
- (m) any action, proceedings, procedure or step is taken in relation to a composition, compromise, assignment or arrangement with any creditor of a Security Provider;
- (n) any action, proceedings, procedure or step is taken in relation to the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of a Security Provider or any of its assets;
- (o) the value of the Mortgagor's or GGSDL's assets is less than its liabilities (taking into account contingent and prospective liabilities);
- (p) any event occurs in relation to the relevant Security Provider similar to those set out in paragraphs (f) to (o) (inclusive) under the laws of any applicable jurisdiction;
- (q) control of a Security Provider's goods is taken or a distress, attachment, execution, expropriation, sequestration or other analogous legal process in any jurisdiction is levied, enforced or sued out on, or against, a Security Provider's assets;
- (r) any Security on or over the assets of a Security Provider becomes enforceable;
- (s) all or any part of this deed or any document under which a Security Provider owes obligations to the Security Trustee, the Borrower and/or the Bondholders is or becomes invalid, unlawful, unenforceable, terminated, disputed or ceases to be effective or to have full force and effect or it becomes unlawful for any party to this deed or any document under

which a Security Provider owes obligations to the Security Trustee, the Borrower and/or the Bondholders (other than the Security Trustee, the Borrower and/or the Bondholders) to perform any obligation under this deed or that document;

(t) any event occurs (or circumstances exist) that, in the reasonable opinion of the Security Trustee, has or is likely to have a Material Adverse Effect;

(u) forfeiture proceedings are commenced, or recommenced, with respect to the Headlease or the Headlease is forfeited.

GGSDL: Great George Street Developments Ltd (company number 10876629).

Headlease: means a lease under which the Mortgagor holds title to all or any part of the Property.

Indebtedness: any obligation to pay or repay money, present or future, whether actual or contingent, sole or joint and any guarantee or indemnity of any of those obligations.

Insurance Policy: each contract and policy of insurance effected or maintained by the Mortgagor from time to time relating to the Property.

Intercreditor Deed: the intercreditor deed dated on or about the date of this agreement between the Security Trustee, the Borrower, the Mortgagor and GGSDL.

Legal Reservations:

- (a) the principle that equitable remedies may be granted or refused at the discretion of a court and the limitation of enforcement by laws relating to insolvency, reorganisation and other laws generally affecting the rights of creditors;
- (b) the time barring of claims under any Acts of limitation, the possibility that an undertaking to assume liability for or indemnify a person against non-payment of UK stamp duty may be void and defences of set-off or counterclaim;
- (c) the limitation of the enforcement of the terms of leases of real property by laws of general application to those leases; and
- (d) similar principles, rights and remedies under the laws of any applicable jurisdiction.

LPA 1925: the Law of Property Act 1925.

Material Adverse Effect: a material adverse effect on its business, assets or condition, or its ability to perform its obligations under this deed.

Perfection Requirements: the making or the procuring of filings, stampings, registrations, notarisations, endorsements, translations and/or notifications of this deed (and/or any Security created under it) necessary for the validity, enforceability (as against the Mortgagor or any relevant third party) and/or perfection of this deed.

Permitted Disposal: Any disposal of all or any part of the Property:

(a) required to facilitate the transfer of the whole (and not part) of the Property to The Great George Street Project Phase Three Ltd (company number 11701564) (**Transferee**)
PROVIDED THAT:

(i) that company is and remains a wholly owned subsidiary of GGSDL; and

(ii) the Mortgagor shall procure that that company shall grant a legal mortgage in a form substantially the same as this deed (any amendments requiring the approval of the Security Trustee, acting reasonably) and ranking as at least as a third charge to the Security Trustee on completion of such transfer and the Security Trustee's consent to such disposal required to satisfy the restriction in clause 4.1 shall not be given until that legal mortgage has been completed, duly executed by the Transferee and delivered to the Security Trustee;

(b) which is required pursuant to a planning obligation agreement or undertaking made pursuant to Section 106 of the Town and Country Planning Act 1990 or any variation to such agreement or undertaking or further agreement or undertaking supplemental to it;

(c) arising out of or in connection with any agreement made under Section 38 of the Highways Act 1980 and/or Section 98 to 104 of the Water Industry Act 1991 or any similar enactments or agreements entered into for the purposes of adoption of highways and/or utilities including (without

limitation) water steam soil air gas electricity telecommunications and other services; or

- (d) as a consequence of the grant of any deed of easement to a third party required to facilitate the Development;
- (e) of a Commercial Unit which is a Qualifying Unit Disposal.
- (f) of a Residential Unit which is a Qualifying Unit Disposal.

Permitted Security: (a) the existing first legal charge dated 31 March 2016 and made between the Mortgagor (1) and Cambridge & Counties Bank Limited (2) subject to an intercreditor deed made on or about the date of this deed;

(b) the debenture to be dated on or about the date of this deed and made between GGSDL (1) and the Borrower (2).

Property: (a) the leasehold land and property known as land at Great George Place, Liverpool and registered at HM Land Registry with title number MS563977;

(b) the leasehold land and property known as land on the south-east side of Duncan Street, Liverpool and registered at HM Land Registry with title number MS626950;

(c) the leasehold land and property known as land on the west side of Great George Street, Liverpool and registered at HM Land Registry with title number MS563174;

(d) the freehold land and property known as land on the west side of Great George Street, Liverpool and registered at HM Land Registry with title number MS552511.

Qualifying Unit Disposal the disposal of a Residential Unit or a Commercial Unit that meets the following criteria:

- (a) in substantially the form of a drafts attached to the NCTBL Charge (as originally granted);
- (b) be on arm's length terms and for open market premiums, ground and other rents,

and such other criteria agreed in writing between the Lender and GGSDL, from time to time.

Receiver: a receiver or receiver and manager appointed by the Security Trustee under clause 15.

Rental Income:	all amounts paid or payable to or for the account of the Mortgagor in connection with the letting, licence or grant of other rights of use or occupation of all or any part of the Property.
Residential Unit	any part of the Property that has been constructed for use as residential premises and/or any associated parking space.
Rights:	any Security or other right or benefit whether arising by set-off, counterclaim, subrogation, indemnity, proof in liquidation or otherwise and whether from contribution or otherwise.
Secured Liabilities:	all present and future obligations and liabilities of the Borrower, GGSDL or the Mortgagor to the Beneficiaries, whether actual or contingent and whether owed jointly or severally, as principal or surety or in any other capacity and whether or not the Beneficiaries were an original party to the relevant transaction or the Security Trustee acts as security trustee on their behalf in respect of such obligations and liabilities and in whatever name or style, together with all interest (including, without limitation, default interest) accruing in respect of those obligations or liabilities.
Security:	any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect.
Security Period:	the period starting on the date of this deed and ending on the date on which the Security Trustee is satisfied that all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and no further Secured Liabilities are capable of being outstanding.
Security Providers:	the Mortgagor, the Borrower and GGSDL.
Valuation:	any valuation relating to the Property supplied to the Security Trustee by GGSDL or the Mortgagor (or on its behalf).
VAT:	value added tax or any equivalent tax chargeable in the UK or elsewhere.

1.2 Interpretation

In this deed:

- 1.2.1 clause and Schedule headings shall not affect the interpretation of this deed;
- 1.2.2 a reference to a **person** shall include a reference to an individual, firm, company, corporation, partnership, unincorporated body of persons, government, state or

agency of a state or any association, trust, joint venture or consortium (whether or not having separate legal personality);

- 1.2.3 unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular;
- 1.2.4 unless the context otherwise requires, a reference to one gender shall include a reference to the other genders;
- 1.2.5 a reference to a party and the **Borrower** or a **Security Provider** shall include that party's or the Borrower's or Security Provider's successors, permitted assigns and permitted transferees and this deed shall be binding on, and enure to the benefit of, the parties to this deed and their respective personal representatives, successors, permitted assigns and permitted transferees;
- 1.2.6 a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time;
- 1.2.7 a reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision;
- 1.2.8 a reference to **writing** or **written** includes email but excludes fax;
- 1.2.9 an obligation on a party not to do something includes an obligation not to allow that thing to be done;
- 1.2.10 a reference to **this deed** (or any provision of it) or to any other agreement or document referred to in this deed is a reference to this deed, that provision or such other agreement or document as amended (in each case, other than in breach of the provisions of this deed) from time to time;
- 1.2.11 unless the context otherwise requires, a reference to a clause or Schedule is to a clause or Schedule of this deed;
- 1.2.12 any words following the terms **including, include, in particular, for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms;
- 1.2.13 a reference to an **amendment** includes a novation, re-enactment, supplement or variation (and **amend** and **amended** shall be construed accordingly);
- 1.2.14 a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description;
- 1.2.15 a reference to an **authorisation** includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration and resolution;
- 1.2.16 a reference to **continuing** in relation to an Event of Default means an Event of Default that has not been waived;

1.2.17 a reference to **determines** or **determined** means, unless the contrary is indicated, a determination made at the absolute discretion of the person making it; and

1.2.18 a reference to a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation.

1.3 **Clawback**

If the Security Trustee considers that an amount paid by the Borrower, GGSDL or the Mortgagor in respect of the Secured Liabilities is capable of being avoided or otherwise set aside on the liquidation or administration of the Borrower or the Mortgagor, or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this deed.

1.4 **Nature of security over real property**

A reference in this deed to a **charge or mortgage of or over the Property** includes:

1.4.1 all buildings and fixtures and fittings (including trade and tenant's fixtures and fittings) and fixed plant and machinery that are situated on or form part of the Property at any time;

1.4.2 the proceeds of the sale of any part of the Property and any other monies paid or payable in respect of or in connection with the Property;

1.4.3 the benefit of any covenants for title given, or entered into, by any predecessor in title of the Mortgagor in respect of the Property, and any monies paid or payable in respect of those covenants; and

1.4.4 all rights under any licence, agreement for sale or agreement for lease in respect of the Property.

1.5 **Perpetuity period**

If the rule against perpetuities applies to any trust created by this deed, the perpetuity period shall be 125 years (as specified by section 5(1) of the Perpetuities and Accumulations Act 2009).

2. **COVENANT TO PAY**

2.1 **Covenant to pay**

The Mortgagor shall, on demand, pay to the Security Trustee and discharge the Secured Liabilities when they become due.

2.2 Interest

The Mortgagor covenants to pay interest to the Security Trustee on any amounts due under clause 2.1 from day to day until full discharge (whether before or after judgment, liquidation, winding-up or administration of the Mortgagor) at the Default Rate, provided that, in the case of any cost or expense, such interest shall accrue and be payable as from the date on which the relevant cost or expense arose, and any interest on principal shall continue to accrue at the Default Rate in accordance with the deed or document without the necessity for demand being made for payment.

3. GRANT OF SECURITY

3.1 Legal mortgage and fixed charges

As a continuing security for the payment and discharge of the Secured Liabilities, the Mortgagor with full title guarantee charges to the Security Trustee:

3.1.1 by way of a second legal mortgage, the Property; and

3.1.2 by way of a second fixed charge:

- (a) all its rights in each Insurance Policy, including all claims, the proceeds of all claims and all returns of premiums in connection with each Insurance Policy, the Rental Income and the benefit of any guarantee or security in respect of the Rental Income, all its rights in each Assigned Agreement and the benefit of any guarantee or security for the performance of an Assigned Agreement to the extent not effectively assigned under clause 3.2;
- (b) the benefit of all other contracts, guarantees, appointments and warranties relating to the Charged Assets and other documents to which the Mortgagor is a party or which are in its favour or of which it has the benefit relating to any letting, development, sale, purchase, use or the operation of the Charged Assets or otherwise relating to the Charged Assets (including, in each case, but without limitation, the right to demand and receive all monies whatever payable to or for its benefit under or arising from any of them, all remedies provided for in any of them or available at law or in equity in relation to any of them, the right to compel performance of any of them and all other rights, interests and benefits whatever accruing to or for its benefit arising from any of them); and
- (c) all licences, consents and authorisations (statutory or otherwise) held or required in connection with the Mortgagor's business carried on at the Property or the use of any Charged Asset, and all rights in connection with them.

3.2 Assignment

As a continuing security for the payment and discharge of the Secured Liabilities, the Mortgagor with full title guarantee assigns to the Security Trustee absolutely, subject to a proviso for reassignment on irrevocable discharge in full of the Secured Liabilities:

- 3.2.1 all its rights in each Insurance Policy, including all claims, the proceeds of all claims and all returns of premiums in connection with each Insurance Policy; and
- 3.2.2 the Rental Income and the benefit of any guarantee or security in respect of the Rental Income;
- 3.2.3 all its rights in respect of each Assigned Agreement and the benefit of any guarantee or security for the performance of an Assigned Agreement,

provided that nothing in this clause 3.2 shall constitute the Security Trustee as mortgagee in possession.

4. PERFECTION OF SECURITY

4.1 Registration of legal mortgage at the Land Registry

The Mortgagor consents to an application being made by the Security Trustee to the Land Registrar for the following restriction in Form P to be registered against its title to the Property:

"No disposition of the registered estate by the proprietor of the registered estate, or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated ^{12th March} ~~DATE~~ 2019 in favour of Brickowner Limited as security trustee referred to in the charges register or their conveyancer."

4.2 Cautions against first registration and notices

Whether or not title to the Property is registered at the Land Registry, if any caution against first registration or any notice (whether agreed or unilateral) is registered against the Mortgagor's title to the Property, the Mortgagor shall immediately provide the Security Trustee with full particulars of the circumstances relating to such caution or notice. If such caution or notice was registered to protect a purported interest the creation of which is not permitted under this deed, the Mortgagor shall immediately, and at its own expense, take such steps as the Security Trustee may require to ensure that the caution or notice, as applicable, is withdrawn or cancelled.

5. LIABILITY OF THE MORTGAGOR AND LENDER'S PROTECTIONS

5.1 Liability not discharged

The Mortgagor's liability under this deed in respect of any of the Secured Liabilities shall not be discharged, prejudiced or affected by:

- 5.1.1 any intermediate payment, settlement of account or discharge in whole or in part of the Secured Liabilities;
- 5.1.2 any variation, extension, discharge, compromise, dealing with, exchange or renewal of any right or remedy that the Beneficiaries may now or after the date of this deed have from or against the Borrower, GGSDL, the Mortgagor or any other person in connection with the Secured Liabilities;
- 5.1.3 any act or omission by the Beneficiaries or any other person in taking up, perfecting or enforcing any Security, indemnity, or guarantee from or against the Borrower, GGSDL, the Mortgagor or any other person;
- 5.1.4 any termination, amendment, variation, novation, replacement or supplement of or to any of the Secured Liabilities including, without limitation, any change in the purpose of, any increase in or extension of the Secured Liabilities and any addition of new Secured Liabilities;
- 5.1.5 any grant of time, indulgence, waiver or concession to the Borrower, GGSDL, the Mortgagor or any other person;
- 5.1.6 any insolvency, bankruptcy, liquidation, administration, winding-up, incapacity, limitation, disability, the discharge by operation of law, or any change in the constitution, name or style of the Borrower, GGSDL, the Mortgagor or any other person;
- 5.1.7 any invalidity, illegality, unenforceability, irregularity or frustration of any actual or purported obligation of, or Security held from, the Borrower, GGSDL, the Mortgagor or any other person in connection with the Secured Liabilities;
- 5.1.8 any claim or enforcement of payment from the Borrower, GGSDL, the Mortgagor or any other person; or
- 5.1.9 any other act or omission that would not have discharged or affected the liability of the Mortgagor had it been a principal debtor or by anything done or omitted by any person which, but for this provision, might operate to exonerate or discharge the Mortgagor or otherwise reduce or extinguish its liability under this deed.

5.2 Immediate recourse

The Mortgagor waives any right it may have to require the Security Trustee:

- 5.2.1 to take any action or obtain judgment in any court against the Borrower or any other person;
- 5.2.2 to make or file any claim in a bankruptcy, liquidation, administration or insolvency of the Borrower or any other person; or
- 5.2.3 to make demand, enforce or seek to enforce any claim, right or remedy against the Borrower or any other person,

before taking steps to enforce any of its rights or remedies under this deed.

5.3 **Non-competition**

The Mortgagor warrants to the Security Trustee that it has not taken or received, and shall not take, exercise or receive the benefit of any Rights from or against the Borrower, its liquidator, an administrator, co-guarantor or any other person in connection with any liability of, or payment by, the Mortgagor under this deed but:

- 5.3.1 if any of the Rights is taken, exercised or received by the Mortgagor, those Rights and all monies at any time received or held in respect of those Rights shall be held by the Mortgagor on trust for the Security Trustee for application in or towards the discharge of the Secured Liabilities under this deed; and
- 5.3.2 on demand by the Security Trustee, the Mortgagor shall promptly transfer, assign or pay to the Security Trustee all Rights and all monies from time to time held on trust by the Mortgagor under this clause 5.3.

6. **REPRESENTATIONS AND WARRANTIES**

6.1 **Times for making representations and warranties**

The Mortgagor makes the representations and warranties set out in this clause 6 to the Security Trustee on the date of this deed and they are deemed repeated with reference to the facts and circumstances existing at the time of repetition:

- 6.1.1 on each day that GGSDL requests utilisation of any loan facility from the Borrower and on the proposed utilisation date under such request;
- 6.1.2 on each day that a Permitted Disposal is made;
- 6.1.3 on each day that Secured Liabilities are due from GGSDL to the Borrower;
- 6.1.4 on each day that Secured Liabilities are paid by GGSDL to the Borrower.

6.2 **Due incorporation**

The Mortgagor:

6.2.1 is a duly incorporated limited liability company validly existing under the law of its jurisdiction of incorporation; and

6.2.2 has the power to own its assets and carry on its business as it is being conducted.

6.3 Powers

6.3.1 The Mortgagor has the power to enter into, deliver and perform, and has taken all necessary action to authorise its entry into, delivery and performance of this deed and the transactions contemplated by it.

6.3.2 No limit on its powers will be exceeded as a result of the grant of Security contemplated by this deed.

6.4 Non-contravention

The entry into and performance by the Mortgagor of, and the transactions contemplated by, this deed do not and will not contravene or conflict with:

6.4.1 its constitutional documents;

6.4.2 any agreement or instrument binding on it or its assets or constitute a default or termination event (however described) under any such agreement or instrument; or

6.4.3 any law or regulation or judicial or official order applicable to it.

6.5 Authorisations

The Mortgagor has obtained all required authorisations to enable it to enter into, exercise its rights and comply with its obligations in this deed. Any such authorisations are in full force and effect.

6.6 Binding obligations

Subject to the Legal Reservations and the Perfection Requirements:

6.6.1 the Mortgagor's obligations under this deed are legal, valid, binding and enforceable.

6.6.2 this deed creates:

(a) valid, legally binding and enforceable Security for the obligations expressed to be secured by it; and

(b) subject to registration in accordance with the Companies Act 2006 and, in the case of real property, registration at the Land Registry, perfected Security over the assets expressed to be subject to Security in it,

in favour of the Security Trustee, having the priority and ranking expressed to be created by this deed and ranking ahead of all (if any) Security and rights of third parties, except those preferred by law.

6.7 No filing or stamp taxes

It is not necessary to file, record or enrol this deed (other than as provided in clause 6.6) with any court or other authority or pay any stamp, registration or similar taxes in relation to this deed or any transaction contemplated by it (other than in connection with the registrations referred to in clause 6.6).

6.8 No default

6.8.1 No Event of Default or, on the date of this deed, event or circumstance which would, on the giving of notice, expiry of any grace period, making of any determination under this deed or any document under which a Security Provider owes obligations to the Security Trustee, the Borrower or the Bondholders, or satisfaction of any other condition (or any combination thereof), become an Event of Default is continuing.

6.8.2 No other event or circumstance is outstanding which constitutes (or, with the expiry of a grace period, giving of notice, making of any determination, or satisfaction of any other condition (or any combination thereof), would become) a default or termination event (however described) under any other agreement or instrument that is binding on it or to which any of its assets is subject which has or is reasonably likely to have a Material Adverse Effect.

6.9 No litigation

No litigation, arbitration or administrative proceedings or investigations are taking place, pending or, to the Mortgagor's knowledge, threatened against it, any of its directors or any of its assets, which, if adversely determined, will have or might reasonably be expected to have a Material Adverse Effect.

6.10 Ownership of Charged Assets

The Mortgagor is the sole legal and beneficial owner of the Charged Assets and has good, valid and marketable title to the Property.

6.11 No Security

The Charged Assets are free from any Security other than Permitted Security and the Security created by this deed.

6.12 No adverse claims

The Mortgagor has not received, or acknowledged notice of, any adverse claim by any person in respect of the Charged Assets or any interest in them.

6.13 No adverse covenants

As far as the Mortgagor is aware, there are no covenants, agreements, reservations, conditions, interests, rights or other matters whatever that materially and adversely affect the Charged Assets which have not been disclosed to the Security Trustee.

6.14 No breach of laws

To the knowledge of the Mortgagor having made due enquiry, there is no breach of any law or regulation, that materially and adversely affects the Charged Assets.

6.15 No interference in enjoyment

No facility necessary for the enjoyment and use of the Charged Assets is subject to terms entitling any person to terminate or curtail its use.

6.16 No overriding interests

As far as the Mortgagor is aware having made due enquiry, nothing has arisen, has been created or is subsisting, that would be an overriding interest in the Property.

6.17 No prohibitions or breaches

There is no prohibition on the Mortgagor assigning its rights in any of the Charged Assets referred to in clause 3.2 and the entry into of this deed by the Mortgagor does not, and will not, constitute a breach of any policy, agreement, document, instrument or obligation binding on the Mortgagor or its assets.

6.18 Environmental compliance

The Mortgagor has, at all times, complied in all respects with all applicable Environmental Law and Environmental Licences where failure to do so would or would be reasonably likely to have a Material Adverse Effect.

6.19 Information for Valuations

6.19.1 All written information supplied by GGSDL or the Mortgagor or on its behalf for the purpose of the most recent Valuation was true and accurate in all material respects at its date or at the date (if any) on which it was stated to be given.

6.19.2 The information referred to in clause 6.19.1 was, at its date or at the date (if any) on which it was stated to be given, complete and GGDSL and the Mortgagor did not omit to supply any information that, if disclosed, would adversely affect the Valuation.

6.19.3 In the case of the first Valuation, nothing has occurred since the date the information referred to in clause 6.19.1 was supplied and the date of this deed that would materially adversely affect such Valuation.

6.20 Other information

The information, in written or electronic format, supplied by, or on behalf of, a Security Provider to the Security Trustee in connection with any transaction to create Secured Liabilities or this deed was, at the time it was supplied or at the date it was stated to be given (as the case may be):

- 6.20.1 if it was factual information, complete, true and accurate in all material respects;
- 6.20.2 if it was a financial projection or forecast, prepared on the basis of recent historical information and on the basis of reasonable assumptions and was arrived at after careful consideration;
- 6.20.3 if it was an opinion or intention, made after careful consideration and was fair and made on reasonable grounds; and
- 6.20.4 not misleading in any material respect nor rendered misleading by a failure to disclose other information,

except to the extent that it was amended, superseded or updated by more recent information supplied by, or on behalf of, that Security Provider to the Security Trustee.

6.21 Avoidance of security

Subject to the Legal Reservations, no Security expressed to be created under this deed is liable to be avoided, or otherwise set aside, on the liquidation or administration of the GGSDL or Mortgagor or otherwise.

7. GENERAL COVENANTS

7.1 Negative pledge and disposal restrictions

The Mortgagor shall not at any time, except with the prior written consent of the Security Trustee:

- 7.1.1 create, purport to create or permit to subsist any Security on, or in relation to, any Charged Asset other than any Security created by this deed or any Permitted Security;
- 7.1.2 sell, assign, transfer, part with possession of, or otherwise dispose of in any manner (or purport to do so), all or any part of, or any interest in, the Charged Assets other than any Permitted Disposal; or
- 7.1.3 create or grant (or purport to create or grant) any interest in the Charged Assets in favour of a third party.

provided that nothing in this clause 7.1 or in clause 8.8 shall restrict or prevent the Mortgagor from exchanging agreements for lease for any Commercial Unit or Residential Unit which would on its completion be a Qualifying Unit Disposal in substantially the form of the drafts attached to the NCTBL Charge (as originally granted) on arm's length terms and for open market premiums, ground and other rents.

7.2 Preservation of Charged Assets

The Mortgagor shall not do, or permit to be done, any act or thing that would or might depreciate, jeopardise or otherwise prejudice the security held by the Security Trustee or

materially diminish the value of any of the Charged Assets or the effectiveness of the security created by this deed.

7.3 Compliance with laws and regulations

7.3.1 The Mortgagor shall not, without the Security Trustee's prior written consent, use or permit the Charged Assets to be used in any way contrary to law.

7.3.2 The Mortgagor shall:

- (a) comply with the requirements of any law or regulation relating to or affecting the Charged Assets or the use of them or any part of them;
- (b) obtain, and promptly renew from time to time, and comply with the terms of all authorisations that are required in connection with the Charged Assets or their use or that are necessary to preserve, maintain or renew any Charged Asset; and
- (c) promptly effect any maintenance, modifications, alterations or repairs that are required by any law or regulation to be effected on or in connection with the Charged Assets,

where failure to do so would or would be reasonably likely to have a Material Adverse Effect.

7.3.3 The Mortgagor shall comply in all respects with all laws to which it may be subject, if failure to do so would materially impair its ability to perform its obligations under this deed.

7.4 Enforcement of rights

The Mortgagor shall use all reasonable endeavours, except in respect of (1) any proceedings under an Application for an injunction to restrain winding up - Chancery Division Manchester District Registry arising under Claim No: 2753 of 2017, an Application for Specific Performance of the agreement for lease, declarations on true construction, rectification, declaration that forfeiture notice and s146 notice are invalid – Chancery Division Manchester District Register arising under claim number D30MA901 and/or any dispute arising out of or in connection with the subject matter of the dispute(s) thereunder and/or (2) any forfeiture proceedings relating to any Headlease, where in each case best endeavours are required, to enforce any rights and institute, continue or defend any proceedings relating to any of the Charged Assets that the Security Trustee may reasonably require from time to time.

7.5 Notification of default

7.5.1 On becoming aware of it, the Mortgagor shall notify the Security Trustee of any Event of Default or any event or circumstance which would, on the giving of notice, expiry of any grace period, making of any determination under this deed or any document under which a Security Provider owes obligations to the Security Trustee

or satisfaction of any other condition (or any combination thereof), become an Event of Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence.

- 7.5.2 The Borrower shall, promptly on request by the Security Trustee, supply a certificate signed by two of its directors on its behalf certifying that no Event of Default is continuing (or, if an Event of Default is continuing, specifying the Event of Default and the steps, if any, being taken to remedy it).

7.6 Insurance documents

The Mortgagor shall, on the execution of this deed, deposit with the Security Trustee and the Security Trustee shall, for the duration of this deed, be entitled to hold each Insurance Policy, subject to the rights of the holder of any prior ranking Permitted Security.

7.7 Notices to be given by the Mortgagor

The Mortgagor shall within five days of request by the Security Trustee:

- 7.7.1 give notice to the relevant insurers of the assignment of the Mortgagor's rights and interest in and under each Insurance Policy (including the proceeds of any claims under that Insurance Policy) under clause 3.2 and shall use its reasonable endeavours to procure that each addressee of such notice promptly provides an acknowledgement of that notice to the Security Trustee; and
- 7.7.2 give notice to each of the other parties to each Assigned Agreement and any guarantee or security for the performance of an Assigned Agreement of the assignment of the Mortgagor's rights and interest in and under each Assigned Agreement and each guarantee or security for the performance of an Assigned Agreement under clause 3.2.3 and shall use its reasonable endeavours to procure that each addressee of such notice promptly provides an acknowledgement of that notice to the Security Trustee.

7.8 Ranking of obligations

The Mortgagor's payment obligations under this deed will, at all times, rank in all respects in priority to all its other indebtedness, other than indebtedness preferred by operation of law or as otherwise agreed by the parties, in the event of its winding-up.

7.9 Authorisations

The Mortgagor shall obtain all consents and authorisations necessary (and do all that is needed to maintain them in full force and effect) under any law or regulation of its jurisdiction of incorporation to enable it to perform its obligations under this deed and to ensure the legality, validity, enforceability and admissibility in evidence of this deed in its jurisdiction of incorporation.

7.10 Change of business

The Mortgagor shall not make any substantial change to the general nature or scope of its business as carried on at the date of this deed.

7.11 Information

The Mortgagor shall supply to the Security Trustee:

- 7.11.1 all documents dispatched by the Mortgagor to its shareholders (or any class of them), or its creditors generally, at the same time as they are dispatched;
- 7.11.2 details of any litigation, arbitration or administrative proceedings that are current, threatened or pending against the Mortgagor as soon as it becomes aware of them and which might, if adversely determined, have a material adverse effect on its business, assets or condition, or its ability to perform its obligations under this deed or any document under which the Mortgagor owes obligations to the Security Trustee, the Borrower and/or the Bondholders; and
- 7.11.3 promptly, any further information about the financial condition, assets, business and operations of the Mortgagor as the Security Trustee may reasonably request.

7.12 Release of Commercial and Residential Units

- 7.12.1 The Security Trustee shall within five working days of a request from the Mortgagor provide in such form as the Mortgagor shall reasonably require a consent to the registration of a Qualifying Unit Disposal at HM Land Registry.
- 7.12.2 The Security Trustee irrevocably appoints the Mortgagor to be the Attorney of the Security Trustee (with full power of substitution and delegation) in the Security Trustee's name and on the Security Trustee's behalf and as the Security Trustee's act and deed if the Security Trustee has failed to do so following five working days' notice from the Mortgagor to sign or execute any release and/or consent properly required by the Mortgagor in respect of this deed or to cancel any entries relating to this deed.

8. PROPERTY COVENANTS

8.1 Repair and maintenance

To the extent applicable from time to time given the nature of the Property as a development site, the Mortgagor shall keep all premises, and fixtures and fittings on the Property, in good and substantial repair and condition and shall keep all premises adequately and properly painted and decorated and replace any fixtures and fittings that have become worn out or otherwise unfit for use with others of a like nature and equal value.

8.2 No alterations

8.2.1 The Mortgagor shall not, without the prior written consent of the Security Trustee:

- (a) pull down or remove the whole or any part of any building forming part of the Property nor permit the same to occur; or
- (b) erect any new building(s) on the Property;
- (c) make or permit to be made any alterations to any building, erection or structure, fixed plant or machinery, fixtures or fittings situated on the Property from time to time (except to make any necessary repairs or renew or replace the same in accordance with clause 8.1),

provided that the Mortgagor may carry out the development of the Property in accordance with planning permission 15O/1998 or planning permission granted pursuant to applications 1F/2727 and/or 19F/0218 in the case of each permission to the extent it applies to the Property and any variations to it approved by the local planning authority to, or permissions or approvals arising out of, it without any further consents from the Security Trustee.

8.2.2 The Mortgagor shall promptly give notice to the Security Trustee if the premises or fixtures or fittings forming part of the Property are destroyed or damaged.

8.3 Development restrictions

The Mortgagor shall not, without the prior written consent of the Security Trustee:

- 8.3.1 make or, in so far as it is able, permit others to make any application for planning permission or development consent in respect of the Property; or
- 8.3.2 carry out, or permit or suffer to be carried out, on the Property any development (as defined in each of the Town and Country Planning Act 1990 and the Planning Act 2008) or change or permit, or suffer to be changed, the use of the Property,

provided that the Mortgagor may carry out of the development of the Property in accordance with planning permission 15O/1998 or planning permission granted pursuant to applications 1F/2727 and/or 19F/0218 in the case of each permission to the extent it applies to the Property and any variations to it approved by the local planning authority to, or permissions or approvals arising out of, it without any further consents from the Security Trustee.

8.4 Insurance

8.4.1 Despite anything else in this deed, the obligations in clauses 8.4.6 and 8.7 are subject at all times to the rights of the holder of any prior ranking Security.

8.4.2 The Mortgagor shall insure and keep insured the Charged Assets against:

- (a) loss or damage by fire or terrorist acts, including any third-party liability arising from such acts;
- (b) other risks, perils and contingencies that would be insured against by reasonably prudent persons carrying on the same class of business as the Mortgagor; and

any other risk, perils and contingencies as the Security Trustee may reasonably require.

- 8.4.3 Any such insurance must be with an insurance company or underwriters, and on such terms, as are reasonably acceptable to the Security Trustee and must include property owners' public liability and third party liability insurance and be for not less than the replacement value of the relevant Charged Asset (meaning, in the case of any premises on the Property, the total cost of entirely rebuilding, reinstating or replacing the premises in the event of their being destroyed, together with architects', surveyors', engineers' and other professional fees and charges for shoring or propping up, demolition, site clearance and reinstatement with adequate allowance for inflation) and loss of rents payable by the tenants or other occupiers of the Property for a period of at least three years, including provision for increases in rent during the period of insurance, PROVIDED THAT whilst the Property is being developed the insurance shall be in the form of a builder's all-risks policy.
- 8.4.4 The Mortgagor shall, if requested by the Security Trustee, produce to the Security Trustee each policy, certificate or cover note relating to any insurance required by clause 8.4.2.
- 8.4.5 The Mortgagor shall use reasonable endeavours to procure that the Security Trustee is named as composite insured in respect of its own separate insurable interest under each Insurance Policy (other than public liability and third party liability insurances) effected or maintained by it or any person on its behalf in accordance with clause 8.4.2 but without the Security Trustee having any liability for any premium in relation to those Insurance Policies unless it has expressly and specifically requested to be made liable in respect of any increase in premium or unpaid premium in respect of any Insurance Policy.
- 8.4.6 The Mortgagor shall use reasonable endeavours to ensure that each Insurance Policy effected or maintained by it or any person on its behalf in accordance with clause 8.4.2 contains:
 - (a) a loss payee clause under which the Security Trustee is named as first loss payee (other than in respect of any claim under any public liability and third-party liability insurances);
 - (b) terms ensuring that it cannot be avoided or vitiated as against the Security Trustee by reason of the act or default of any other insured party or any misrepresentation, non-disclosure or failure to make a fair presentation of risk by any other insured party;

- (c) a waiver of each insurer's rights of subrogation against the Mortgagor, the Security Trustee and the tenants of the Property other than any such rights arising in connection with any fraud or criminal offence committed by any of those persons in respect of the Property or any Insurance Policy; and
- (d) terms ensuring that no insurer can repudiate, rescind or cancel it, treat it as avoided in whole or in part nor treat it as expired due to non-payment of premium without giving at least 30 days' prior written notice to the Security Trustee.

8.5 Insurance premiums

The Mortgagor shall:

- 8.5.1 promptly pay all premiums in respect of each Insurance Policy required by clause 8.4.2 and do all other things necessary to keep that policy in full force and effect; and
- 8.5.2 (if the Security Trustee so requires) give to the Security Trustee copies of the receipts for all premiums and other payments necessary for effecting and keeping up each Insurance Policy required by clause 8.4.2.

8.6 No invalidation of insurance

The Mortgagor shall not do or omit to do, or permit to be done or omitted, any act or thing that may invalidate or otherwise prejudice any Insurance Policy required by clause 8.4.2.

8.7 Proceeds from Insurance Policies

All monies payable under any Insurance Policy required by clause 8.4.2 shall (whether or not the security constituted by this deed has become enforceable):

- 8.7.1 be paid immediately to the Security Trustee;
- 8.7.2 if they are not paid directly to the Security Trustee by the insurers, be held, pending such payment, by the Mortgagor as trustee of the same for the benefit of the Security Trustee; and
- 8.7.3 at the option of the Security Trustee, be applied in making good or recouping expenditure in respect of the loss or damage for which those monies are received or in, or towards, discharge or reduction of the Secured Liabilities.

8.8 Leases and licences affecting the Property

The Mortgagor shall not, without the prior written consent of the Security Trustee:

- 8.8.1 other than a Permitted Disposal, grant any tenancy affecting the whole or any part of the Property, or exercise the statutory powers of leasing or of accepting surrenders under section 99 or section 100 of the LPA 1925 (or agree to grant any such licence

or tenancy, or agree to exercise the statutory powers of leasing or of accepting surrenders under section 99 or section 100 of the LPA 1925);

8.8.2 in any other way dispose of, accept the surrender of, surrender or create any legal or equitable estate or interest in the whole or any part of the Property (or agree to dispose of, accept the surrender of, surrender or create any legal or equitable estate or interest in the whole or any part of the Property);

8.8.3 let any person into occupation, or share occupation, of the whole or any part of the Property under which a landlord and tenant relationship arises.

8.9 No restrictive obligations

The Mortgagor shall not, without the prior written consent of the Security Trustee, enter into any onerous or restrictive obligations affecting the whole or any part of the Property or create or permit to arise any overriding interest, easement or right whatever in or over the whole or any part of the Property, provided that the Mortgagor may carry out the development of the Property in accordance with planning permission 15O/1998 or planning permission granted pursuant to applications 1F/2727 and/or 19F/0218 in the case of each permission to the extent it applies to the Property and any variations to it approved by the local planning authority to, or permissions or approvals arising out of, it without any further consents from the Security Trustee.

8.10 Proprietary rights

The Mortgagor shall procure that no person shall become entitled to assert any proprietary or other like right or interest over the whole or any part of the Property, without the prior written consent of the Security Trustee other than in relation to any Permitted Disposal.

8.11 Compliance with and enforcement of covenants

The Mortgagor shall:

8.11.1 observe and perform all covenants, stipulations and conditions to which the Property, or the use of it, is or may be subject where a failure to do so would have a Material Adverse Effect and (if the Security Trustee so reasonably requires) produce to the Security Trustee evidence sufficient to satisfy the Security Trustee that those covenants, stipulations and conditions have been observed and performed; and

8.11.2 diligently enforce all covenants, stipulations and conditions benefiting the Property and shall not (and shall not agree to) waive, release or vary any of the same where a failure to do so would have a Material Adverse Effect.

8.12 Notices or claims relating to the Property

8.12.1 The Mortgagor shall:

(a) give full particulars to the Security Trustee of any notice, order, direction, designation, resolution, application, requirement or proposal given or made

by any public or local body or authority (a **Notice**) that specifically applies to the Property, or to the locality in which it is situated, within seven days after becoming aware of the relevant Notice;

- (b) (if the Security Trustee so requires) immediately, and at the cost of the Mortgagor, take all reasonable and necessary steps to comply with any Notice, and make, or join with the Security Trustee in making, any objections or representations in respect of that Notice that the Security Trustee thinks fit;
- (c) give full particulars to the Security Trustee of any claim, notice or other communication served on it in respect of any modification, suspension or revocation of any Environmental Licence or any alleged breach of any Environmental Law, in each case relating to the Property

where the relevant matter would or would be reasonably likely to have a Material Adverse Effect.

8.13 Payment of rent and outgoings

The Mortgagor shall:

- 8.13.1 where the Property, or part of it, is held under a lease, duly and punctually pay all rents due from time to time; and
- 8.13.2 pay (or procure payment of the same) when due all charges, rates, taxes, duties, assessments and other outgoings relating to or imposed on the Property or on its occupier.

8.14 Environment

The Mortgagor shall in respect of the Property:

- 8.14.1 comply with all the requirements of Environmental Law; and
- 8.14.2 obtain and comply with all Environmental Licences,

where failure to do so would or would be reasonably likely to have a Material Adverse Effect.

8.15 Inspection

The Mortgagor shall permit the Security Trustee, any Receiver and any person appointed by either of them to enter on and inspect the Property on reasonable prior notice, subject to their compliance with site safety and security requirements.

9. ASSIGNED AGREEMENT COVENANTS

9.1 No waiver of rights

The Mortgagor shall not, without the prior written consent of the Security Trustee, waive any requirement of, or its rights under, any Assigned Agreement.

9.2 No abandoning of actions or claims

The Mortgagor shall not, without the prior written consent of the Security Trustee, abandon, waive, dismiss, release or discharge any action, claim or proceedings against any counterparty or other person in connection with any Assigned Agreement.

9.3 Comply with terms of Assigned Agreements

The Mortgagor shall, unless the Lender agrees otherwise in writing, comply with the terms of each Assigned Agreement.

9.4 No amendment or termination

The Borrower shall not, without the prior written consent of the Lender, amend, terminate, permit termination of, settle, compromise, rescind or discharge (except by performance) any Assigned Agreement.

10. RENTAL INCOME COVENANTS

10.1 Dealings with Rental Income

10.1.1 Following the occurrence of an Event of Default:

- (a) the Mortgagor shall hold all Rental Income on trust for the Security Trustee and pay all Rental Income to the Security Trustee on demand; and
- (b) the Mortgagor shall not be entitled to receive, utilise, transfer or withdraw any Rental Income except with the prior written consent of the Security Trustee.

10.1.2 The Mortgagor agrees with the Security Trustee that any monies received by the Security Trustee under clause 10.1.1(a) shall not constitute the Security Trustee as mortgagee in possession of the Property.

10.2 Notice of assignment of Rental Income

The Mortgagor shall, within 5 working days of request by the Security Trustee, give notice to the relevant tenant, guarantor or surety of the assignment under clause 3.2.2 of the Mortgagor's rights and interest to the Rental Income and each guarantee or security in respect of the Rental Income.

11. PROVISIONS RELATING TO THE SECURITY TRUSTEE

11.1 Security Trust

The Security Trustee shall hold and administer all the rights, benefits and interests constituted in its favour by or pursuant to this deed together with all proceeds of enforcement, exercise or realisation of the same upon trust to pay and apply the same for the benefit of the Beneficiaries in accordance with their respective entitlements.

11.2 Liability

The Security Trustee and any Receiver shall not be liable in respect of any loss or damage which arises out of the exercise or attempted or purported exercise of or the failure to exercise any of their respective powers under this deed other than in cases of fraud or wilful default.

12. POWERS OF THE SECURITY TRUSTEE

12.1 Power to remedy

12.1.1 The Security Trustee shall be entitled (but shall not be obliged) to remedy, at any time, a breach by the Mortgagor of any of its obligations contained in this deed.

12.1.2 The Mortgagor irrevocably authorises the Security Trustee and its agents to do all things that are necessary or desirable for that purpose.

12.1.3 Any monies expended by the Security Trustee in remedying a breach by the Mortgagor of its obligations contained in this deed shall be reimbursed by the Mortgagor to the Security Trustee on a full indemnity basis and shall carry interest in accordance with clause 19.2.

12.1.4 In remedying any breach in accordance with this clause 12.1, the Security Trustee, its agents and their respective officers, agents and employees shall be entitled to enter onto the Property and to take any action as the Security Trustee may reasonably consider necessary or desirable including, without limitation, carrying out any repairs, other works or development.

12.2 Exercise of rights

The rights of the Security Trustee under clause 12.1 are without prejudice to any other rights of the Security Trustee under this deed. The exercise of any rights of the Security Trustee under this deed shall not make the Security Trustee liable to account as a mortgagee in possession.

12.3 Lender has Receiver's powers

To the extent permitted by law, any right, power or discretion conferred by this deed (either expressly or impliedly) or by law on a Receiver may, after the security constituted by this deed has become enforceable, be exercised by the Security Trustee in relation to any of the Charged Assets whether or not it has taken possession of any Charged Asset and without first appointing a Receiver or notwithstanding the appointment of a Receiver.

12.4 Conversion of currency

- 12.4.1 For the purpose of, or pending, the discharge of any of the Secured Liabilities, the Security Trustee may convert any monies received, recovered or realised by it under this deed (including the proceeds of any previous conversion under this clause 12.4) from their existing currencies of denomination into any other currencies of denomination that the Security Trustee may think fit.
- 12.4.2 Any such conversion shall be effected at the Bank of England's then prevailing spot selling rate of exchange for such other currency against the existing currency.
- 12.4.3 Each reference in this clause 12.4 to a currency extends to funds of that currency and, for the avoidance of doubt, funds of one currency may be converted into different funds of the same currency.

12.5 New accounts

- 12.5.1 If the Security Trustee receives, or is deemed to have received, notice of any subsequent Security or other interest, affecting all or part of the Charged Assets, the Security Trustee may open a new account for the Mortgagor in the Security Trustee's books. Without prejudice to the Security Trustee's right to combine accounts, no money paid to the credit of the Mortgagor in any such new account shall be appropriated towards, or have the effect of discharging, any part of the Secured Liabilities.
- 12.5.2 If the Security Trustee does not open a new account immediately on receipt of the notice, or deemed notice, referred to in clause 12.5.1, then, unless the Security Trustee gives express written notice to the contrary to the Mortgagor, all payments made by the Mortgagor to the Security Trustee shall be treated as having been credited to a new account of the Mortgagor and not as having been applied in reduction of the Secured Liabilities, as from the time of receipt or deemed receipt of the relevant notice by the Security Trustee.

12.6 Indulgence

The Security Trustee may, at its discretion, grant time or other indulgence, or make any other arrangement, variation or release with any person not being a party to this deed (whether or not any such person is jointly liable with the Mortgagor) in respect of any of the Secured Liabilities or of any other security for them without prejudice either to this deed or to the liability of the Mortgagor for the Secured Liabilities.

13. WHEN SECURITY BECOMES ENFORCEABLE

13.1 Security becomes enforceable on an Event of Default

The security constituted by this deed shall become immediately enforceable if an Event of Default occurs.

13.2 Discretion

After the security constituted by this deed has become enforceable, but subject at all times to clause 13.3, the Security Trustee may, in its absolute discretion, enforce all or any part of that security at the times, in the manner and on the terms it thinks fit, and take possession of and hold or dispose of all or any part of the Charged Assets.

13.3 Restriction on enforcement

Despite anything else in this deed, the Security Trustee shall not take any step to enforce the security under this deed unless an Enforcement Event (as that term is defined in the Intercreditor Deed) has occurred and is continuing.

14. ENFORCEMENT OF SECURITY

14.1 Enforcement powers

14.1.1 For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this deed.

14.1.2 The power of sale and other powers conferred by section 101 of the LPA 1925 (as varied or extended by this deed) shall, as between the Security Trustee and a purchaser from the Security Trustee, be immediately exercisable at any time after the security constituted by this deed has become enforceable under clause 13.1.

14.1.3 Section 103 of the LPA 1925 does not apply to the security constituted by this deed.

14.2 Extension of statutory powers of leasing

The statutory powers of leasing and accepting surrenders conferred on mortgagees under the LPA 1925 and by any other statute are extended so as to authorise the Security Trustee and any Receiver, at any time after the security constituted by this deed has become enforceable, whether in its own name or in that of the Mortgagor, to:

14.2.1 grant a lease or agreement for lease;

14.2.2 accept surrenders of leases; or

14.2.3 grant any option in respect of the whole or any part of the Property with whatever rights relating to other parts of it,

whether or not at a premium and containing such covenants on the part of the Mortgagor, and on such terms and conditions (including the payment of money to a lessee or tenant on a surrender), as the Security Trustee or Receiver thinks fit, without the need to comply with any of the restrictions imposed by sections 99 and 100 of the LPA 1925.

14.3 Redemption of prior Security

14.3.1 At any time after the security constituted by this deed has become enforceable, or after any powers conferred by any Security having priority to this deed shall have become exercisable, the Security Trustee may:

- (a) redeem any prior Security over any Charged Asset;
- (b) procure the transfer of that Security to itself; and
- (c) settle and pass the accounts of the holder of any prior Security (and any accounts so settled and passed shall, in the absence of any manifest error, be conclusive and binding on the Mortgagor).

14.3.2 The Mortgagor shall pay to the Security Trustee immediately on demand all principal, interest, costs, charges and expenses of, and incidental to, any such redemption or transfer, and such amounts shall be secured by this deed as part of the Secured Liabilities.

14.4 Protection of third parties

No purchaser, mortgagee or other person dealing with the Security Trustee, any Receiver or any Delegate shall be concerned to enquire:

- 14.4.1 whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged;
- 14.4.2 whether any power the Security Trustee, a Receiver or Delegate is purporting to exercise has become exercisable or is being properly exercised; or
- 14.4.3 how any money paid to the Security Trustee, any Receiver or any Delegate is to be applied.

14.5 Privileges

Each Receiver and the Security Trustee is entitled to all the rights, powers, privileges and immunities conferred by the LPA 1925 on mortgagees and receivers.

14.6 No liability as mortgagee in possession

Neither the Security Trustee, nor any Receiver or Delegate shall be liable, by reason of entering into possession of a Charged Asset or for any other reason, to account as mortgagee in possession in respect of all or any of the Charged Assets, nor shall any of them be liable for any loss on realisation of, or for any act, default or omission for which a mortgagee in possession might be liable.

14.7 Relinquishing possession

If the Security Trustee, any Receiver or Delegate enters into or takes possession of a Charged Asset, it or he/she may at any time relinquish possession.

14.8 Conclusive discharge to purchasers

The receipt of the Security Trustee, or any Receiver or Delegate, shall be a conclusive discharge to a purchaser and, in making any sale or other disposal of any of the Charged Assets or in making any acquisition in the exercise of their respective powers, the Security Trustee, and every Receiver and Delegate may do so for any consideration, in any manner and on any terms that it or he/she thinks fit.

15. RECEIVERS

15.1 Appointment

At any time after the security constituted by this deed has become enforceable, or at the request of the Mortgagor, the Security Trustee may, without further notice, appoint by way of deed, or otherwise in writing, any one or more persons to be a Receiver of all or any part of the Charged Assets.

15.2 Removal

The Security Trustee may, without further notice (subject to section 45 of the Insolvency Act 1986), from time to time, by way of deed, or otherwise in writing, remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

15.3 Remuneration

The Security Trustee may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the LPA 1925 and the remuneration of the Receiver shall be a debt secured by this deed, to the extent not otherwise discharged.

15.4 Power of appointment additional to statutory powers

The power to appoint a Receiver conferred by this deed shall be in addition to all statutory and other powers of the Security Trustee under the Insolvency Act 1986, the LPA 1925 or otherwise, and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA 1925 or otherwise.

15.5 Power of appointment exercisable despite prior appointments

The power to appoint a Receiver (whether conferred by this deed or by statute) shall be, and remain, exercisable by the Security Trustee despite any prior appointment in respect of all or any part of the Charged Assets.

15.6 Security Trustee of the Mortgagor

Any Receiver appointed by the Security Trustee under this deed shall be the agent of the Mortgagor and the Mortgagor shall be solely responsible for the contracts, engagements, acts, omissions, defaults, losses and remuneration of that Receiver and for liabilities incurred by that Receiver. The agency of each Receiver shall continue until the Mortgagor goes into liquidation and after that the Receiver shall act as principal and shall not become the agent of the Security Trustee or the Beneficiaries.

16. POWERS OF RECEIVER

16.1 Powers additional to statutory powers

16.1.1 Any Receiver appointed by the Security Trustee under this deed shall, in addition to the rights, powers and discretions conferred on him/her by statute, have the rights, powers and discretions set out in clause 16.2 to clause 16.20.

16.1.2 A Receiver has all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the LPA 1925, and shall have those rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986 whether he/she is an administrative receiver or not.

16.1.3 If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him/her states otherwise) exercise all of the powers conferred on a Receiver under this deed individually and to the exclusion of any other Receiver.

16.1.4 Any exercise by a Receiver of any of the powers given by clause 16 may be on behalf of the Mortgagor, the directors of the Mortgagor or himself/herself.

16.2 Repair and develop the Property

A Receiver may undertake or complete any works of repair, alteration, building or development on the Property and may apply for and maintain any planning permission, development consent, building regulation approval or any other permission, consent or licence to carry out any of the same.

16.3 Grant or accept surrenders of leases

A Receiver may grant, or accept, surrenders of any leases or tenancies affecting the Property on any terms, and subject to any conditions, that he/she thinks fit.

16.4 Employ personnel and advisers

16.4.1 A Receiver may provide services and employ, or engage, any managers, officers, servants, contractors, workmen, agents, other personnel and professional advisers on any terms, and subject to any conditions, that he/she thinks fit.

16.4.2 A Receiver may discharge any such person or any such person appointed by the Mortgagor.

16.5 Make and revoke VAT options to tax

A Receiver may make, exercise or revoke any VAT option to tax as he/she thinks fit.

16.6 Charge for remuneration

A Receiver may charge and receive any sum by way of remuneration (in addition to all costs, charges and expenses incurred by him/her) that the Security Trustee may prescribe or agree with him/her.

16.7 Take possession

A Receiver may take immediate possession of, get in and realise any Charged Asset.

16.8 Manage or reconstruct the Mortgagor's business

A Receiver may carry on, manage, develop, reconstruct, amalgamate or diversify or concur in carrying on, managing, developing, reconstructing, amalgamating or diversifying the business of the Mortgagor carried out at the Property.

16.9 Dispose of Charged Assets

A Receiver may grant options and licences over all or any part of the Charged Assets, grant any other interest or right over, sell, exchange, assign or lease (or concur in granting options and licences over all or any part of the Charged Assets, granting any other interest or right over, selling, exchanging, assigning or leasing) all or any of the Charged Assets in respect of which he/she is appointed for such consideration and in such manner (including, without limitation, by public auction or private sale) and generally on any terms and conditions as he/she thinks fit. A Receiver may promote, or concur in promoting, a company to purchase the Charged Assets to be disposed of by him/her.

16.10 Sever fixtures and fittings

A Receiver may sever and sell separately any fixtures or fittings from the Property without the consent of the Mortgagor.

16.11 Give valid receipts

A Receiver may give a valid receipt for all monies and execute all assurances and things that may be proper for realising any of the Charged Assets.

16.12 Make settlements

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who claims to be a creditor of the Mortgagor or relating in any way to any Charged Asset.

16.13 Bring legal action

A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to any of the Charged Assets as he/she thinks fit.

16.14 Insure

A Receiver may, if he/she thinks fit, but without prejudice to the indemnity in clause 19.2, effect with any insurer any policy of insurance either in lieu or satisfaction of, or in addition to, the insurance required to be maintained by the Mortgagor under this deed.

16.15 Form subsidiaries

A Receiver may form a subsidiary of the Mortgagor and transfer to that subsidiary any Charged Asset.

16.16 Borrow

A Receiver may, for whatever purpose he/she thinks fit, raise and borrow money either unsecured or on the security of all or any of the Charged Assets in respect of which he/she is appointed on any terms that he/she thinks fit (including, if the Security Trustee consents, terms under which that security ranks in priority to this deed).

16.17 Redeem prior Security

A Receiver may redeem any prior Security and settle and pass the accounts to which the Security relates. Any accounts so settled and passed shall be, in the absence of any manifest error, conclusive and binding on the Mortgagor, and the monies so paid shall be deemed to be an expense properly incurred by the Receiver.

16.18 Delegation

A Receiver may delegate his/her powers in accordance with this deed.

16.19 Absolute beneficial owner

A Receiver may, in relation to any of the Charged Assets, exercise all powers, authorisations and rights he/she would be capable of exercising as, and do all those acts and things, an absolute beneficial owner could exercise or do in the ownership and management of all or any part of the Charged Assets.

16.20 Incidental powers

A Receiver may do any other acts and things that he/she:

16.20.1 may consider desirable or necessary for realising any of the Charged Assets;

16.20.2 may consider incidental or conducive to any of the rights or powers conferred on a Receiver under or by virtue of this deed or law; or

16.20.3 lawfully may or can do as agent for the Mortgagor.

17. DELEGATION

17.1 Delegation

The Security Trustee or any Receiver may delegate (either generally or specifically) by power of attorney or in any other manner to any person any right, power, authority or discretion conferred on it or him/her by this deed (including the power of attorney granted under clause 21.1).

17.2 Terms

The Security Trustee and each Receiver may make a delegation on the terms and conditions (including the power to sub-delegate) that it or he/she thinks fit.

17.3 Liability

Neither the Security Trustee, the Beneficiaries nor any Receiver shall be in any way liable or responsible to the Mortgagor for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate.

18. APPLICATION OF PROCEEDS

18.1 Order of application of proceeds

All monies received or recovered by the Security Trustee, a Receiver or a Delegate under this deed or in connection with the realisation or enforcement of all or part of the security constituted by this deed (other than sums received under any Insurance Policy), shall (subject to the claims of any person having prior rights and by way of variation of the LPA 1925) be applied in the following order of priority (but without prejudice to the Security Trustee's right to recover any shortfall from the Mortgagor or the Borrower):

18.1.1 in or towards payment of all costs, liabilities, charges and expenses incurred by or on behalf of or the Beneficiaries, the Security Trustee (and any Receiver, Delegate, attorney or agent appointed by it) under or in connection with this deed and of all remuneration due to any Receiver under or in connection with this deed;

18.1.2 in or towards payment of the Secured Liabilities in any order and manner that the Security Trustee determines; and

18.1.3 in payment of the surplus (if any) to the Mortgagor or other person entitled to it.

18.2 Appropriation

Neither the Security Trustee, any Receiver nor any Delegate shall be bound (whether by virtue of section 109(8) of the LPA 1925, which is varied accordingly, or otherwise) to pay or

appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order between any of the Secured Liabilities.

18.3 Suspense account

All monies received by the Security Trustee, a Receiver or a Delegate under this deed (other than sums received under any Insurance Policy that are not going to be applied in or towards discharge of the Secured Liabilities):

- 18.3.1 may, at the discretion of the Security Trustee, Receiver or Delegate, be credited to a suspense account;
- 18.3.2 shall bear interest, if any, at the rate agreed in writing between the Security Trustee and the Mortgagor; and
- 18.3.3 may be held in that account for so long as the Security Trustee, Receiver or Delegate thinks fit.

19. COSTS AND INDEMNITY

19.1 Costs

The Mortgagor shall, within five Business Days of demand, pay to, or reimburse, the Security Trustee and any Receiver, all reasonable costs, charges, expenses, taxes and liabilities of any kind (including, without limitation, legal, printing and out-of-pocket expenses) incurred by the Security Trustee, the Beneficiaries, any Receiver or any Delegate in connection with:

- 19.1.1 this deed or the Charged Assets; or
- 19.1.2 giving consent in any Permitted Disposal;
- 19.1.3 taking, holding, perfecting, any of the Security Trustee's, a Receiver's or a Delegate's rights under this deed.

together with interest, which shall accrue and be payable (without the need for any demand for payment being made) from the date on which the relevant cost, charge, expense, tax or liability falls due until full discharge of that cost, charge, expense, tax or liability (whether before or after judgment, liquidation, winding-up or administration of the Mortgagor) at the Default Rate.

19.2 Enforcement costs

The Mortgagor shall, within five Business Days of demand, pay to, or reimburse, the Security Trustee and any Receiver, on a full indemnity basis, all proper costs, charges, expenses, taxes and liabilities of any kind (including, without limitation, legal, printing and out-of-pocket expenses) incurred by the Security Trustee, the Beneficiaries, any Receiver or any Delegate in connection with:

19.2.1 protecting, preserving or enforcing (or attempting to do so) any of the Security Trustee's, a Receiver's or a Delegate's rights under this deed; or

19.2.2 taking proceedings for, or recovering, any of the Secured Liabilities,

together with interest, which shall accrue and be payable from the date on which the relevant cost, charge, expense, tax or liability arose until full discharge of that cost, charge, expense, tax or liability (whether before or after judgment, liquidation, winding-up or administration of the Mortgagor) at the Default Rate.

19.3 Indemnity

19.3.1 The Mortgagor shall indemnify the Security Trustee, each Receiver and each Delegate, and their respective employees and agents against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other professional costs and expenses) suffered or incurred by any of them arising out of or in connection with:

- (a) the exercise or purported exercise of any of the rights, powers, authorities or discretions vested in them under this deed or by law in respect of the Charged Assets;
- (b) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) the security constituted by this deed; or
- (c) any default or delay by the Mortgagor in performing any of its obligations under this deed.

19.3.2 Any past or present employee or agent may enforce the terms of this clause 19.3 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999.

20. FURTHER ASSURANCE

20.1 Further assurance

The Mortgagor shall promptly, at its own expense, take whatever action the Security Trustee or any Receiver may reasonably require for:

20.1.1 creating, perfecting or protecting the security intended to be created by this deed;

20.1.2 facilitating the realisation of any Charged Asset; or

20.1.3 facilitating the exercise of any right, power, authority or discretion exercisable by the Security Trustee or any Receiver in respect of any Charged Asset,

including, without limitation the execution of any mortgage, transfer, conveyance, assignment or assurance of all or any of the assets forming part of (or intended to form part of) the Charged

Assets (whether to the Security Trustee or to its nominee) and the giving of any notice, order or direction and the making of any filing or registration which, in any such case, the Security Trustee may consider necessary or desirable.

21. POWER OF ATTORNEY

21.1 Appointment of attorneys

By way of security, the Mortgagor irrevocably appoints the Security Trustee, every Receiver and every Delegate separately to be the attorney of the Mortgagor and, in its name, on its behalf and as its act and deed, to execute any documents and do any acts and things that:

21.1.1 the Mortgagor is required to execute and do under this deed; or

21.1.2 any attorney deems proper in exercising any of the rights, powers, authorities and discretions conferred by this deed or by law on the Security Trustee, any Receiver or any Delegate.

21.2 Ratification of acts of attorneys

The Mortgagor ratifies and confirms, and agrees to ratify and confirm, anything that any of its attorneys may do in the proper and lawful exercise, or purported exercise, of all or any of the rights, powers, authorities and discretions referred to in clause 21.1.

22. RELEASE

22.1 Release

Subject to clause 29.3, at the end of the Security Period, the Security Trustee shall, at the request and cost of the Mortgagor, take whatever action is necessary to:

22.1.1 release the Charged Assets from the security constituted by this deed; and

22.1.2 reassign the Charged Assets to the Mortgagor.

23. ASSIGNMENT AND TRANSFER

23.1 Assignment by Lender

23.1.1 At any time, without the consent of the Mortgagor, the Security Trustee may assign or transfer any or all of its rights and obligations under this deed.

23.1.2 The Security Trustee may disclose to any actual or proposed assignee or transferee any information in its possession that relates to the Mortgagor, the Charged Assets and this deed that the Security Trustee considers appropriate.

23.2 Assignment by Mortgagor

The Mortgagor may not assign any of its rights, or transfer any of its rights or obligations, under this deed.

24. SET-OFF

24.1 Lender's right of set-off

The Security Trustee may at any time set off any liability of the Mortgagor to the Security Trustee or the Beneficiaries against any liability of the Security Trustee to the Mortgagor, whether either liability is present or future, liquidated or unliquidated, and whether or not either liability arises under this deed. If the liabilities to be set off are expressed in different currencies, the Security Trustee may convert either liability at a market rate of exchange for the purpose of set-off. Any exercise by the Security Trustee of its rights under this clause 24.1 shall not limit or affect any other rights or remedies available to it under this deed or otherwise.

24.2 No obligation to set off

The Security Trustee is not obliged to exercise its rights under clause 24.1. If, however, it does exercise those rights it must promptly notify the Mortgagor of the set-off that has been made.

24.3 Exclusion of Mortgagor's right of set-off

All payments made by the Mortgagor to the Security Trustee under this deed shall be made in full without any set-off, counterclaim, deduction or withholding (other than any deduction or withholding of tax as required by law).

25. AMENDMENTS, WAIVERS AND CONSENTS

25.1 Amendments

No amendment of this deed shall be effective unless it is in writing and signed by, or on behalf of, each party (or its authorised representative).

25.2 Waivers and consents

25.2.1 A waiver of any right or remedy under this deed or by law, or any consent given under this deed, is only effective if given in writing by the waiving or consenting party and shall not be deemed a waiver of any other breach or default. It only applies in the circumstances for which it is given and shall not prevent the party giving it from subsequently relying on the relevant provision.

25.2.2 A failure or delay by a party to exercise any right or remedy provided under this deed or by law shall not constitute a waiver of that or any other right or remedy, prevent or restrict any further exercise of that or any other right or remedy or constitute an election to affirm this deed. No single or partial exercise of any right or remedy provided under this deed or by law shall prevent or restrict the further

exercise of that or any other right or remedy. No election to affirm this deed by the Security Trustee shall be effective unless it is in writing.

25.3 Rights and remedies

The rights and remedies provided under this deed are cumulative and are in addition to, and not exclusive of, any rights and remedies provided by law.

26. SEVERANCE

If any provision (or part of a provision) of this deed is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision (or part of a provision) shall be deemed deleted. Any modification to or deletion of a provision (or part of a provision) under this clause shall not affect the legality, validity and enforceability of the rest of this deed.

27. COUNTERPARTS

27.1 Counterparts

27.1.1 This deed may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute one deed.

27.1.2 Transmission of an executed counterpart of this deed (but for the avoidance of doubt not just a signature page) by email (in PDF, JPEG or other agreed format) shall take effect as delivery of an executed counterpart of this deed. If either method of delivery is adopted, without prejudice to the validity of the deed thus made, each party shall provide the others with the original of such counterpart as soon as reasonably possible thereafter.

27.1.3 No counterpart shall be effective until each party has executed and delivered at least one counterpart.

28. THIRD PARTY RIGHTS

28.1 Third party rights

28.1.1 Except as expressly provided elsewhere in this deed, a person who is not a party to this deed shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce, or enjoy the benefit of, any term of this deed. This does not affect any right or remedy of a third party which exists, or is available, apart from that Act.

28.1.2 For the avoidance of doubt the Beneficiaries shall have the benefit of this deed.

28.1.3 The rights of the parties to rescind or agree any amendment or waiver under this deed are not subject to the consent of any other person.

29. FURTHER PROVISIONS

29.1 Independent security

The security constituted by this deed shall be in addition to, and independent of, any other security or guarantee that the Security Trustee or Beneficiaries may hold for any of the Secured Liabilities at any time. No prior security held by the Security Trustee or Beneficiaries over the whole or any part of the Charged Assets shall merge in the security created by this deed.

29.2 Continuing security

The security constituted by this deed shall remain in full force and effect as a continuing security for the Secured Liabilities, despite any settlement of account, or intermediate payment, or other matter or thing, unless and until the Security Trustee discharges this deed in writing.

29.3 Discharge conditional

Any release, discharge or settlement between the Mortgagor and the Security Trustee shall be deemed conditional on no payment or security received by the Security Trustee or Beneficiaries in respect of the Secured Liabilities being avoided, reduced or ordered to be refunded under any law relating to insolvency, bankruptcy, winding-up, administration, receivership or otherwise. Despite any such release, discharge or settlement:

29.3.1 the Security Trustee or its nominee may retain this deed and the security created by or under it, including all certificates and documents relating to the whole or any part of the Charged Assets, for any period that the Security Trustee deems reasonably necessary to provide the Security Trustee with security against any such avoidance, reduction or order for refund, such period not to be more than seven months, PROVIDED THAT the Security Trustee shall not retain this deed and the security created after:

(a) the Secured Liabilities have been refinanced and GGSDL is solvent at that time; or

(b) there is reasonable evidence of GGSDL's solvency; and

29.3.2 the Security Trustee may recover the value or amount of such security or payment from the Mortgagor subsequently as if the release, discharge or settlement had not occurred.

29.4 Certificates

A certificate or determination by the Security Trustee as to any amount for the time being due to it or the Beneficiaries from the Mortgagor under this deed shall be, in the absence of any manifest error, conclusive evidence of the amount due.

29.5 Consolidation

The restriction on the right of consolidation contained in section 93 of the LPA 1925 shall not apply to this deed.

30. NOTICES

30.1 Delivery

Any notice or other communication given to a party under or in connection with this deed shall be:

30.1.1 in writing;

30.1.2 delivered by hand, by pre-paid first-class post or other next working day delivery service or by e-mail; and

30.1.3 sent to:

(a) the Mortgagor at:

Suite 209, 2nd Floor 20 Chapel Street, Liverpool, United Kingdom, L3 9AG

E-mail: admin@greatgeorgestreet.co.uk

Attention: Neal Hunter

(b) the Security Trustee at:

WeWork, 123 Buckingham Palace Road, London SW1W 9SR

E-mail: notices@brickowner.com

Attention: Frederick Bristol

or to any other address or email address as is notified in writing by one party to the other from time to time.

30.2 Receipt by Mortgagor

Any notice or other communication that the Security Trustee gives to the Mortgagor shall be deemed to have been received:

30.2.1 if delivered by hand, at the time it is left at the relevant address;

30.2.2 if posted by pre-paid first-class post or other next working day delivery service, on the second Business Day after posting;

30.2.3 if sent by email, at the time of transmission.

A notice or other communication given as described in clause 30.2.1 or clause 30.2.3 on a day that is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day.

30.3 Receipt by Security Trustee

Any notice or other communication given to the Security Trustee shall be deemed to have been received only on actual receipt provided that if actual receipt occurs on a day that is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day.

30.4 Service of proceedings

This clause 30 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

31. GOVERNING LAW AND JURISDICTION

31.1 Governing law

This deed and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England.

31.2 Jurisdiction

Each party irrevocably agrees that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction over any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this deed or its subject matter or formation. Nothing in this clause shall limit the right of the Security Trustee to take proceedings against the Mortgagor in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.

31.3 Other service

The Mortgagor irrevocably consents to any process in any legal action or proceedings under clause 31.2 being served on it in accordance with the provisions of this deed relating to service of notices. Nothing contained in this deed shall affect the right to serve process in any other manner permitted by law.

This agreement has been entered into as a deed on the date stated at the beginning of it.

EXECUTED as a DEED by CHINA TOWN)
DEVELOPMENT COMPANY LTD)
acting by a Director)

Director

in the presence of:-

Signature of witness

Name of witness

Address

Occupation

CHRISTINE MILLER

S. A

EXECUTED as a DEED by)
BRICKOWNER LIMITED)
as security trustee acting by a Director)

Director

in the presence of:-

Signature of witness

Name of witness

Address

Occupation